

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2508

STATE OF NEW JERSEY
219th LEGISLATURE

DATED: JANUARY 8, 2021

SUMMARY

- Synopsis:** Revises law concerning notaries and notarial acts; authorizes electronic signatures.
- Type of Impact:** Annual revenue gain of \$1 million to \$2 million deposited into the State’s General Fund.
- Agencies Affected:** Department of the Treasury

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2021 and Thereafter</u>
Annual State Revenue Increase	\$1 million to \$2 million

- The Office of Legislative Services (OLS) concludes that this bill could increase State General Fund revenues by between \$1 million and \$2 million annually. Like any source of revenue, the amounts generated will fluctuate annually. The bill’s provisions alter various qualification requirements that could affect commissions or renewals. The OLS cannot conclude with reasonable certainty the impact those provisions will have on the population of notaries or future notaries.

BILL DESCRIPTION

This bill revises the law concerning the qualifications and duties of notaries public and other notarial officers. The bill authorizes electronic signatures. The bill also increases the \$25 fee collected by the State Treasurer for each appointment or renewal to \$50 for each commission or renewal. The bill takes effect 90 days following enactment.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that this bill could increase State General Fund revenues by between \$1 million and \$2 million annually. Based on information provided in the FY 2021 Governor's Budget Recommendation (page C-6), notary commissions generated \$1.2 million in FY 2019 for the Department of the Treasury. Notary commission revenue collections for FY 2020 and FY 2021 were projected to be about \$1.6 million annually. If the \$25 fee yielded \$1.2 million in revenue in FY 2019 than a \$50 fee should yield roughly \$2.4 million, a \$1.2 million net increase. Based on the Executive's projection for FY 2020 and FY 2021, the estimate would increase to \$1.6 million.

Like any source of revenue, the amounts generated will fluctuate annually. The bill's provisions alter various qualification requirements that could affect commissions or renewals. The OLS cannot conclude with reasonable certainty the impact those provisions will have on the population of notaries or future notaries. Lastly, the OLS is uncertain as to whether the information published in the FY 2021 Governor's Budget Recommendation includes renewals, so the amount generated by the bill could be greater.

Section: Revenue, Finance and Appropriations
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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).